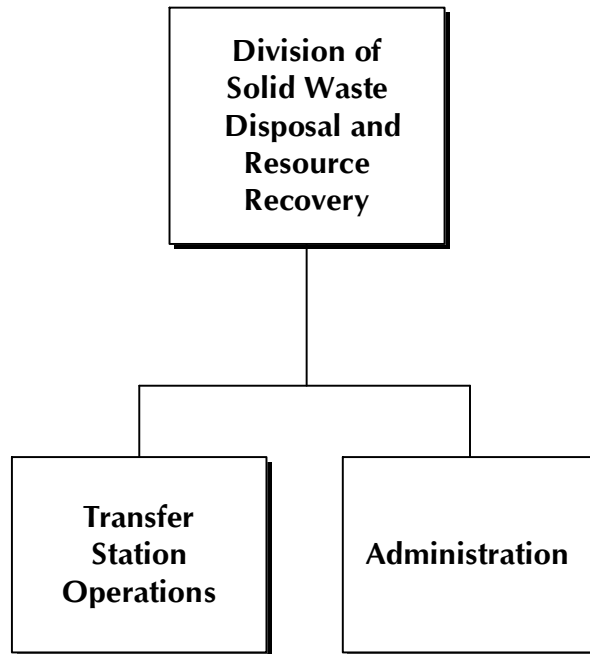


Fund 110 Refuse Disposal



Mission

To protect Fairfax County citizens against disease, pollution and other contamination associated with the improper disposal of refuse, through safe and sanitary transportation of solid waste from the I-66 Transfer Station to the I-95 Sanitary Landfill and the Energy/Resource Recovery Facility (E/RRF). The agency also transports debris generated through the Yard Waste Program to disposal facilities in Prince William and Loudoun Counties. In addition, this agency operates the Household Hazardous Waste Program and the Citizen's Disposal Facilities, including all associated technical and administrative functions.

Focus

Fund 110, Refuse Disposal, has the primary responsibility for coordinating the disposal of solid waste generated within Fairfax County by channeling the collected refuse to the E/RRF. Refuse that cannot be burned in the E/RRF is directed to a landfill or disposed of through a contractor. Yard debris is transported to Prince William County or a private compost facility. Other operations coordinated within this fund are the Citizen's Disposal Facilities (CDF), the Household Hazardous Waste (HHW) Program, the Ordinance Enforcement Program, the White Goods Program and the Battery Program. The Administrative Cost Center performs the tasks associated with the overall administrative, technical and management functions for those funds that comprise the Division of Solid Waste Disposal and Resource Recovery. These funds are: 110, Refuse Disposal; 112, E/RRF; and 114, I-95 Refuse Disposal.

A fee change is recommended in Fund 110, Refuse Disposal for FY 2005 that will increase the system disposal fee from \$45 to \$48 per ton and the negotiated disposal fee will increase from \$39.95 to \$42.45. This will raise an additional \$6,914,628 in refuse disposal revenue over the FY 2004 estimate of \$39,248,067. The total revenue for the fund will be \$50,001,028, an increase of \$2,225,077 or 4.7 percent over the FY 2004 estimate of \$47,775,951. The fee change is necessary due primarily to an increase in the tipping fees charged for disposing of waste at the E/RRF from \$30 to \$32 per ton.

Agency accomplishments, new initiatives and performance measures are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2005 Adopted Budget Plan for those items.

Fund 110

Refuse Disposal

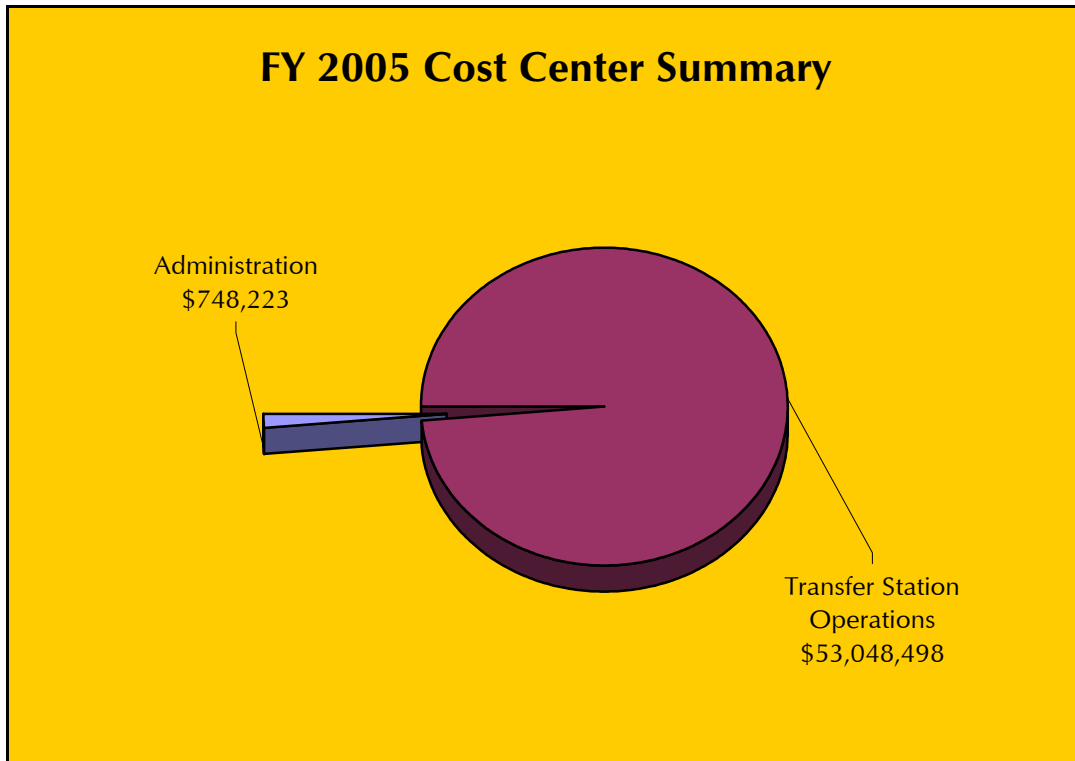
Budget and Staff Resources

Agency Summary					
Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	136/ 136	136/ 136	137/ 137	136/ 136	137/ 137
Expenditures:					
Personnel Services	\$7,582,534	\$7,944,997	\$7,913,225	\$8,300,432	\$8,300,432
Operating Expenses	36,464,882	39,174,542	42,461,548	44,619,405	44,619,405
Capital Equipment	2,047,889	1,505,000	2,362,142	1,375,000	1,375,000
Capital Projects	9,098	0	1,458,455	0	0
Subtotal	\$46,104,403	\$48,624,539	\$54,195,370	\$54,294,837	\$54,294,837
Less:					
Recovered Costs	(\$435,703)	(\$493,614)	(\$493,614)	(\$498,116)	(\$498,116)
Total Expenditures	\$45,668,700	\$48,130,925	\$53,701,756	\$53,796,721	\$53,796,721

Summary by Cost Center					
Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Administration	\$568,316	\$733,531	\$740,856	\$748,223	\$748,223
Transfer Station Operations	45,091,286	47,397,394	51,502,444	\$53,048,498	\$53,048,498
Subtotal	\$45,659,602	\$48,130,925	\$52,243,300	\$53,796,721	\$53,796,721
Capital Projects	\$9,098	\$0	\$1,458,455	\$0	\$0
Total Expenditures	\$45,668,700	\$48,130,925	\$53,701,755	\$53,796,721	\$53,796,721

Position Summary					
Administration			Transfer Station Operations		
1 Director, DSWDRR	1	Supervisor of Facilities Support	1	Welder II	
1 Deputy Director/Engineer IV	4	Assistant Refuse Superintendents	17	Public Service Workers II	
1 Engineer II	3	Heavy Equipment Supervisors	1	Maintenance Trade Helper II	
1 Management Analyst III	1	Management Analyst II	1	Maintenance Trade Helper I	
1 Management Analyst II	4	Engineering Technicians II	1	Administrative Assistant II	
1 Network/Telecommunications Analyst II	2	Engineering Technicians I			
1 Accountant II	3	Environmental Technicians II			
1 Administrative Assistant IV	8	Weighmasters			
4 Administrative Assistants III	74	Heavy Equipment Operators			
1 Administrative Assistant II	1	Motor Equipment Operator			
	2	Laborers III			
TOTAL POSITIONS					
137 Positions / 137.0 Staff Years					

Fund 110 Refuse Disposal



FY 2005 Funding Adjustments

The following funding adjustments from the FY 2004 Revised Budget Plan are necessary to support the FY 2005 program:

- ◆ **Employee Compensation** **\$355,435**
An increase of \$355,435 in Personnel Services associated with salary adjustments necessary to support the County's compensation program.
- ◆ **Tipping Fees** **\$5,129,263**
An increase of \$5,129,263 in Operating Expenses associated primarily with increased tipping fees charged by Fund 112, E/RRF.
- ◆ **Department of Vehicle Services Charges** **\$110,600**
An increase of \$110,600 in Operating Expenses associated with increased internal service charges from the Department of Vehicles Services for fuel, motor pool charges and maintenance expenses.
- ◆ **Capital Equipment** **\$1,375,000**
Funding of \$1,375,000 has been included for Capital Equipment for the replacement of items which have outlived their useful lifespan. Of the funding for replacement items, \$670,000 is for two rubber tire loaders, \$560,000 is for eight refuse trailers, \$115,000 is for a road tractor, and \$30,000 is for a four-wheel drive vehicle for use at the I-95 and I-66 facilities.

Fund 110

Refuse Disposal

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2005 Advertised Budget Plan, as approved by the Board of Supervisors on April 26, 2004:

- ◆ The Board of Supervisors made no adjustments to this fund.

Changes to FY 2004 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2004 Revised Budget Plan since passage of the FY 2004 Adopted Budget Plan. Included are all adjustments made as part of the FY 2003 Carryover Review and all other approved changes through December 31, 2003:

- ◆ **Carryover Adjustments** **\$2,520,597**
As part of the FY 2003 Carryover Review, the Board of Supervisors approved encumbered carryover of \$503,142 in Capital Equipment, unencumbered carryover of \$559,000 in Operating Expenses and Capital Equipment and \$1,458,455 of unexpended capital project balances.

The following funding adjustments reflect all approved changes to the FY 2004 Revised Budget Plan from January 1, 2004 through April 19, 2004. Included are all adjustments made as part of the FY 2004 Third Quarter Review:

- ◆ **Third Quarter Revenue Adjustments** **\$2,821,207**
As part of the FY 2004 Third Quarter Review, the Board of Supervisors approved a revenue increase of \$2,821,207 primarily associated with higher than anticipated tonnage volumes related to Hurricane Isabel. This produced an increase of \$2,229,348 from non-Fairfax County sources, an increase of \$492,064 from private collectors, and \$99,795 in net increases from other sources.
- ◆ **Third Quarter Expenditure Adjustments** **\$3,050,234**
As part of the FY 2004 Third Quarter Review, the Board of Supervisors approved an expenditure increase of \$3,050,234 primarily associated with higher than anticipated tonnage volumes related to Hurricane Isabel. Operating Expenses increased \$3,082,006 which was offset by a decrease of \$31,772 in Personnel Services due to greater than anticipated position vacancies.
- ◆ **Position Adjustment** **\$0**
As part of the agency's workforce planning initiative, 1/1.0 SYE Supervisor of Facilities Support was abolished in Fund 401, Sewer Operations and Maintenance and reestablished in Fund 110, Refuse Disposal as 1/1.0 SYE Engineering Technician II. No additional funding is required for the position transfer.

Fund 110

Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Beginning Balance	\$10,507,641	\$7,861,246	\$9,007,618	\$5,110,840	\$4,881,813
Revenue:					
Interest on Investment	\$159,589	\$106,319	\$110,000	\$60,175	\$60,175
Refuse Disposal Revenue:					
Private Collectors	\$30,436,257	\$29,927,704	\$30,419,768	\$32,263,825	\$32,263,825
Cities and Towns	1,088,780	1,055,759	1,191,788	1,211,190	1,211,190
County Collection	2,184,343	2,175,078	2,263,088	3,025,269	3,025,269
Treatment Plants	145,861	139,705	148,974	129,500	129,500
County Agency Routes	368,648	387,475	430,981	412,921	412,921
Other Agencies	191,992	270,701	115,096	205,215	205,215
SWRRC Program	37,025	36,075	2,916	0	0
Non-Fairfax County ¹	990,052	997,155	3,226,503	3,953,352	3,953,352
Citizens' Disposal Facilities	1,445,221	2,722,151	2,722,151	4,407,481	4,407,481
Debris	277,334	1,229,184	627,750	301,846	301,846
Supplemental Market	236,338	307,080	79,335	252,096	252,096
Subtotal	\$37,401,851	\$39,248,067	\$41,228,350	\$46,162,695	\$46,162,695
Other Revenue:					
Brush	\$387,651	\$1,525,851	\$2,614,945	\$522,000	\$522,000
Yard Waste	1,338,888	2,413,347	2,394,283	1,782,940	1,782,940
Tires	710,310	854,922	694,395	703,168	703,168
Subtotal	\$2,436,849	\$4,794,120	\$5,703,623	\$3,008,108	\$3,008,108
Miscellaneous Revenue:					
White Goods	\$207,394	\$225,536	\$240,000	\$246,810	\$246,810
Sale of Equipment	80,819	96,500	151,000	90,000	90,000
Licensing Fees	48,720	35,760	35,760	35,760	35,760
Miscellaneous	394,164	393,942	307,218	397,480	397,480
Subtotal	\$731,097	\$751,738	\$733,978	\$770,050	\$770,050
Total Revenue	\$40,729,386	\$44,900,244	\$47,775,951	\$50,001,028	\$50,001,028
Transfers In: ²					
General Fund (001)	\$3,439,291	\$1,800,000	\$1,800,000	\$2,500,000	\$2,500,000
Total Transfers In	\$3,439,291	\$1,800,000	\$1,800,000	\$2,500,000	\$2,500,000
Total Available	\$54,676,318	\$54,561,490	\$58,583,569	\$57,611,868	\$57,382,841
Expenditures:					
Personnel Services	\$7,582,534	\$7,944,997	\$7,913,225	\$8,300,432	\$8,300,432
Operating Expenses ³	36,464,882	39,174,542	42,461,548	44,619,405	44,619,405
Capital Equipment	2,047,889	1,505,000	2,362,142	1,375,000	1,375,000
Recovered Costs	(435,703)	(493,614)	(493,614)	(498,116)	(498,116)
Capital Projects	9,098	0	1,458,455	0	0
Total Expenditures	\$45,668,700	\$48,130,925	\$53,701,756	\$53,796,721	\$53,796,721
Total Disbursements	\$45,668,700	\$48,130,925	\$53,701,756	\$53,796,721	\$53,796,721
Ending Balance⁴	\$9,007,618	\$6,430,565	\$4,881,813	\$3,815,147	\$3,586,120

Fund 110 Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Reserves:					
Equipment Reserve ⁵	\$2,457,518	\$1,910,592	\$1,880,265	\$2,117,447	\$2,117,447
Reserve	3,384,925	1,450,761	48,310	151,640	0
Environmental Reserve ⁶	2,000,000	2,000,000	2,000,000	1,000,000	1,000,000
Construction Reserve ⁷	1,000,000	1,000,000	900,000	500,000	422,613
PC Replacement Reserve	98,879	69,212	53,238	46,060	46,060
Unreserved Balance	\$66,296	\$0	\$0	\$0	\$0
Disposal Rate/Ton	\$45.00	\$45.00	\$45.00	\$48.00	\$48.00
Disposal Rate/Ton ⁸	\$39.95	\$39.95	\$39.95	\$42.95	\$42.45

¹ In order to account for revenues in the proper fiscal year, an audit adjustment in the amount of \$224,888 has been reflected as a decrease to FY 2003 revenues to reflect the receivables balance related to the waste exchange agreement between the County and Prince William County. The audit adjustment has been included in the FY 2003 Comprehensive Annual Financial Report (CAFR). Details of the FY 2003 audit adjustments have been included in the FY 2004 Third Quarter Package.

² Cited amounts have been transferred in FY 2003, FY 2004, and FY 2005 to Fund 110 to cover the revenue shortfalls for operational requirements. Transfers provide a subsidy allowing the County to continue to provide the level of service to specific refuse disposal programs that do not fully recover costs. Subsidized programs include the County's Recycling Program, the Household Hazardous Waste Program, the Citizen Disposal Facilities and the Code Enforcement Program. The current fee structure for Fund 110 will not support these expenses in FY 2005. In FY 2005, a transfer from the General Fund will provide funding to maintain the competitiveness of the County's Solid Waste System in attracting and maintaining commercial waste, to provide for market fluctuations and maintain the current level of service to the disposal customers. A rate increase from \$45.00 to \$48.00 per ton has been included in the FY 2005 Adopted Budget Plan.

³ In order to account for revenues in the proper fiscal year, an audit adjustment in the amount of \$75,614 has been reflected as an increase to FY 2003 expenditures to reflect the payables balance related to the waste exchange agreement between the County and Prince William County. The audit adjustment has been included in the FY 2003 Comprehensive Annual Financial Report (CAFR). Details of the FY 2003 audit adjustments have been included in the FY 2004 Third Quarter Package.

⁴ Ending balance has decreased primarily due to increased expenditure requirements that have exceeded revenues received. This is due primarily to the increasing cost of disposal fees charged by Fund 112, E/RRF and the inability of Fund 110 to charge a fully burdened disposal cost as other less expensive disposal options exist for private haulers.

⁵ The Equipment Replacement Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Funds are transferred from Refuse Disposal revenue to the Equipment Replacement Reserve, as are proceeds from the sale of equipment. The reserve requirement is based on a replacement schedule, comprised of yearly payments to the reserve, which is based on the useful life of the vehicle/equipment. The yearly estimated reserve amount includes the annual portion of the replacement cost for new vehicles/equipment, and continued contributions for previously acquired vehicles/equipment for which the replacement requirement has not been met.

⁶ The Environmental Reserve provides contingency funds for future environmental control projects at the I-66 Transfer Station.

⁷ The Construction Reserve provides for improvements at the I-66 Transfer Station.

⁸ In August 1998 (FY 1999), Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed all of its collected refuse or a specified tonnage amount would be delivered to the Energy/Resource Recovery Facility (E/RRF) or other County disposal sites. The FY 2003 and FY 2004 discounted rate is \$39.95, and is \$42.45 in FY 2005. It should be noted that the system fee will also increase to \$48 per ton. The \$3 per ton increase in the both system and discount rates is to compensate for the increase in the tipping fee by the E/RRF from \$30 to \$32 and other operating expense increases.

Fund 110

Refuse Disposal

FY 2005 Summary of Capital Projects

Fund: 110 Refuse Disposal

Project #	Description	Total Project Estimate	FY 2003 Actual Expenditures	FY 2004 Revised Budget	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
174002	I-66 Transfer Station Expansion	\$13,114,900	\$7,504.24	\$754,195.57	\$0	\$0
174003	Drainage Downchutes	188,000	0.00	3,821.39	0	0
174004	Access Road Reconstruction	233,600	0.00	193,785.00	0	0
174005	Groundwater Well Installation	177,213	1,593.76	40,788.24	0	0
174006	Citizens Disposal Facility	974,875	0.00	465,865.00	0	0
Total		\$14,688,588	\$9,098.00	\$1,458,455.20	\$0	\$0